



STATE OF ARIZONA

JANET NAPOLITANO
GOVERNOR

OFFICE OF THE GOVERNOR
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April 19, 2005

The Honorable Ken Bennett
President of the Senate
Arizona State Senate
1700 West Washington
Phoenix, Arizona 85007

Re: Senate Bill 1340: industrial development financing; procedures

Dear President Bennett:

Today I vetoed Senate Bill 1340, the industrial development financing and procedures bill.

I did so because of concerns that were very recently brought to my attention by the Department of Commerce relating to the provision of this bill that would allow industrial development authorities ("IDAs") to issue bonds to finance student loans. The financing of student loans is unrelated to industrial development financing, and I am unaware of any state that allows IDAs to finance student loans. The current system of financing student loans exclusively through state-sanctioned issuers who specialize in student loans has served Arizona well. Student loans are subject to a volume cap and every loan that is administered by an IDA would mean a reduction in the number of loans administered by state-sanctioned student loan specialists. I see no compelling reason to make this change.

Nevertheless, I support the remaining provisions of Senate Bill 1340, and I would be pleased to work with the bill's sponsors to enact similar legislation in the future that does not put IDAs in the student loan financing business.

Yours very truly,

A handwritten signature in dark ink, appearing to read "Janet Napolitano".
Janet Napolitano
Governor

JN:ND

cc: The Honorable Jim Weiers
The Honorable Dean Martin

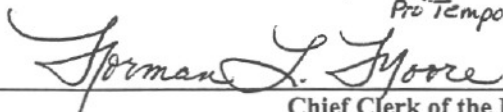
Passed the House April 12, 2005,

by the following vote: 59 Ayes,

0 Nays, 1 Not Voting



Speaker of the House
Pro Tempore

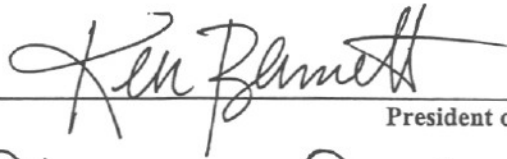


Chief Clerk of the House

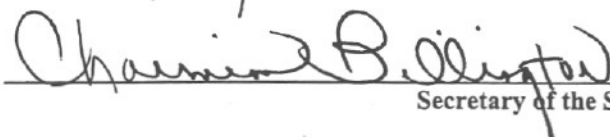
Passed the Senate March 10, 2005,

by the following vote: 28 Ayes,

1 Nays, 1 Not Voting



President of the Senate



Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

13th day of April, 2005

at 12:46 o'clock P M.



Secretary to the Governor

Approved this _____ day of

_____, 20____,

at _____ o'clock _____ M.

VETO

Governor of Arizona

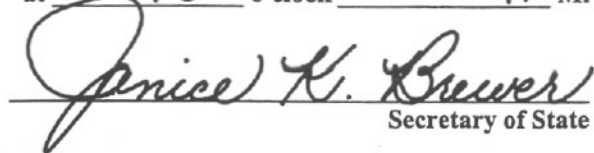
S.B. 1340

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 19 day of April, 2005,

at 1:43 o'clock P M.



Secretary of State